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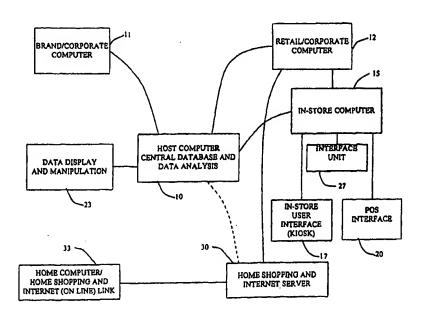
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#### (54) Title: MERCHANDIZING SYSTEM

#### (57) Abstract

A host computer is used as the overall control point of a merchandising system. The host computer is interconnected to a brand corporation computer wherein a manufacturer, distributor, or other entity supplying products and offering discounts on products can update the host computer with information relative to specific products. The host computer is also interconnected to an in-store computer which serves as an interface to consumer interface kiosks and in-store points of sale. The host computer is used to track consumer buying behavior through information provided by a point-of-sale. The host computer analyzes the information according to brand and retail criteria, and based on a consumer specific profile, a consumer specific discount is determined for each consumer for each product on promotion in the program. A discount may be provided by the retail store and/or the brand corporation. When a consumer is specifically identified at a kiosk, a customized list of discounts is printed for the specific consumer. The list includes the new "targeted net price" for the promoted product, which is the store price less the consumer



specific discounts. This price is automatically applied to that product at the point of sale. Consumer home shopping behavior may also be used to refine the consumer profile. Additionally, the consumer profile may be used to target discount and promotions to home shoppers. The consumer profile may also be used for determining specific consumers that should be offered free product promotional offers. The behavior of the consumer after receiving the free product sample is used to refine the consumer profile and to evaluate the efficacy of the free product sample transaction.